



ASSOCIATION FOR LOCAL TELECOMMUNICATIONS SERVICES

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

September 3, 1999

Magalie Roman Salas
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

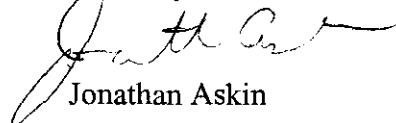
Re: In the Matter of Applications for Consent to the Transfer of Control of Licenses
and Section 214 Authorizations from Ameritech Corporation, Transferor, to SBC
Communications Inc., Transferee, CC Dkt. No. 98-141

Dear Secretary Salas:

Please include the attached written ex parte communication to Lawrence E. Strickling,
Chief, Common Carrier Bureau in the public file of the above-referenced proceeding.

If you have any questions, please contact the undersigned at (202) 969-2597.

Sincerely,



Jonathan Askin

cc: Chairman William Kennard
Commissioner Susan Ness
Commissioner Michael Powell
Commissioner Gloria Tristani
Commissioner Harold Furchtgott-Roth
Dorothy Attwood
Linda Kinney
Kyle Dixon
Sarah Whitesell
Bill Bailey
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VIA FACSIMILE

Lawrence E. Strickling
Chief, Common Carrier Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: In the Matter of Applications for Consent to the Transfer of Control of Licenses and
Section 214 Authorizations from Ameritech Corporation, Transferor, to SBC
Communications Inc., Transferee, CC Dkt. No. 98-141

Dear Mr. Strickling:

On July 1, 1999, SBC Communications Inc. ("SBC") and Ameritech Corporation ("Ameritech") submitted an *ex parte* letter with a copy of proposed merger conditions in the above referenced proceeding. On July 19, 1999, several parties, including the Association for Local Telecommunications Services (ALTS), submitted comments on these proposed merger conditions. Following these comments, on August 27, 1999, SBC and Ameritech submitted a revised set of merger conditions with an *ex parte* letter purporting to "allay concerns about the proposed conditions that were raised by commenters and the Commission staff."¹

ALTS appreciates the opportunity that the Commission and the Common Carrier Bureau have afforded the industry to participate in the SBC/Ameritech merger proceeding and the efforts undertaken by the Commission and the Common Carrier Bureau to ensure that the outcome of this proceeding advances local competition, as intended by and provided by the 1996 Act.

ALTS is concerned, however, that the revised merger conditions do not adequately address

¹ Letter from Richard Hetke, Senior Counsel, Ameritech Corporation and Paul K. Mancini, General Attorney and Assistant General Counsel, SBC Communications Inc. to Magalie Roman Salas, Secretary, FCC, at 2, CC Docket No. 98-141 (dated August 27, 1999).



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the concerns of commenters. On their face, the revised merger conditions fail to discharge SBC/Ameritech's obligations under the 1996 Act and this Commission's orders. For instance, the revised conditions only provide vague assertions that SBC/Ameritech will comply with the requirements of the Act and the Commission orders implementing the Act. SBC and Ameritech's agreements to abide by the Commission's collocation rules and respond to Commission inquiries relating to SBC/Ameritech's compliance with the Commission's pricing rules fall into this category. These actions to implement the Act and Commission orders are long overdue, and vague assertions to abide by the law in the future do not demonstrate compliance with the law.

Among ALTS' chief concerns is the fact that the document is so vague that it will allow SBC and Ameritech to avoid performing the promises that they seemingly have made in the document. Even if SBC and Ameritech had addressed all the concerns of the commenters, the revised conditions, still contain such ambiguity that they will be insufficient to accomplish the goals and satisfy the noble principles articulated in the summary that was released by the Commission on June 30, 1999.² ALTS believes that allowing SBC and Ameritech attorneys to fill in the fine print to the merger conditions is akin to allowing the fox to write the rules governing access to the henhouse. Any document can be written in such a way that clever attorneys can claim it means something very different than what the parties might say it means behind closed doors. SBC and Ameritech may indeed have the purest intentions to abide by the letter of their promises and may even believe that the merger conditions are a sincere and effective effort to open local markets to competitors. In practice, however, in a legal battle a year from now over SBC/Ameritech's failure to abide by these conditions, SBC/Ameritech's attorneys may well interpret these promises in an anti-competitive manner. On the basis of the current record, this interpretation would be irrefutable.

ALTS therefore proposes that the Common Carrier Bureau or the Commission hold an open forum, through which the Commission, the Bureau, the industry, and the public can highlight the concerns of the competitive community. Further, this public forum will allow all parties to get a better grasp on what precisely SBC and Ameritech have promised to do. Indeed, if the Commission has learned anything from the Bell Atlantic/NYNEX merger, it learned that the merging parties must disclose on the record, and subject to public scrutiny, what they mean by their promises prior to Commission approval.³ Public comment will establish a record upon which the Commission, the industry, and the public can rely to ensure that SBC and Ameritech satisfy the Commission's goals to protect the public interest and foster competition.

² See summary of SBC/Ameritech Proposed Conditions (June 29, 1999), available on the FCC website at: http://www.fcc.gov/ccb/Mergers/SBC_Ameritech/conditions062999.html.

³ There are several Section 208 complaints pending before the Commission relating to actions that Bell Atlantic and NYNEX have taken since their merger in 1997. Had the Commission undertaken such a public forum during the Bell Atlantic/NYNEX merger proceeding, we would have a clearer record as to what Bell Atlantic and NYNEX agreed to do upon approval of their merger.



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If further explanation of the positions taken herein, or in any of ALTS other filings, is necessary, please do not hesitate to contact me at 202/969-2597.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jonathan Askin", with a long, sweeping horizontal line extending to the right.

Jonathan Askin
Vice President - Law

cc: Chairman William Kennard
Commissioner Susan Ness
Commissioner Michael Powell
Commissioner Gloria Tristani
Commissioner Harold Furchtgott-Roth
Dorothy Attwood
Linda Kinney
Kyle Dixon
Sarah Whitesell
Bill Bailey
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